

***Remarks***

Reconsideration of this Application is respectfully requested.

Upon entry of the foregoing amendment, claims 1-17 and 23-25 are pending in the application, with claims 1 and 10 being the independent claims. Claim 3 was withdrawn from consideration until such time as a generic claim is found to be allowable. Claims 1 and 2 are sought to be amended. Claims 18-22 are sought to be cancelled without prejudice thereto. These changes are believed to introduce no new matter, and their entry is respectfully requested.

Based on the above amendment and the following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections and that they be withdrawn.

***Rejections under 35 U.S.C. § 102***

Claim 1 was rejected under 35 U.S.C. § 102(b) as being anticipated by EP 1013544 (hereinafter "the '544 patent"). Claim 1 has been amended to include the feature "wherein the power transmission device is selectively driven by the internal combustion engine independently, by the electric motor independently, or by the internal combustion engine and the electric motor collectively." The '544 patent does not teach such a feature. On the contrary, the '544 patent teaches various structures wherein a first power source, such as an internal combustion engine, is used to transmit power to a propeller, while a second power source, such as an electrical motor, is used to rotate a rudder plate structure. (See for example paragraphs 41-49 and paragraphs 60-66 of the '544 patent.) The '544 patent does not teach a propelling system wherein a power transmission device can be *selectively* driven by the internal combustion engine

*independently*, by the electric motor *independently*, or by the internal combustion engine and the electric motor *collectively*. Therefore, the '544 patent does not anticipate claim 1.

***Rejections under 35 U.S.C. § 103***

Claims 7-9 were rejected under 35 U.S.C. § 103(a) as being unpatentable over the '544 patent in view of U.S. Patent No. 2,466,525. Claims 7-9 depend from and add features to claim 1, and should therefore be allowable for the same reasons as discussed with respect to claim 1.

***Other Matters***

Claims 2 and 4-6 were objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Claim 2 has been rewritten in independent form including all of the limitations of the original base claim 1, therefore rendering the objection moot.

Claims 10-17 and 23-25 were allowed.

Since generic claim 1 should now be in condition of allowance, Applicants request that Examiner consider claim 3 and that it be allowed.

***Conclusion***

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

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